

S.214

Introduced by Senator Ashe

Referred to Committee on Finance

Date: January 5, 2016

Subject: Health; health insurance; Vermont Health Benefit Exchange

Statement of purpose of bill as introduced: This bill proposes to allow individuals enrolled in a health insurance plan certified by the Vermont Health Benefit Exchange who do not receive a subsidy to transfer their plan administration, including billing, to the health insurance carrier offering the plan.

~~An act relating to transfer of Exchange plan administration to health insurance carriers~~

*An act relating to large group insurance*

It is hereby enacted by the General Assembly of the State of Vermont:

~~Sec. 1. 33 V.S.A. § 1803(b)(4) is amended to read.~~

~~(4) To the extent permitted by the U.S. Department of Health and Human Services, the Vermont Health Benefit Exchange shall permit qualified individuals and qualified employers to purchase qualified health benefit plans through the Exchange website, through navigators, by telephone, or directly from a health insurer under contract with the Vermont Health Benefit Exchange. A health insurer enrolling an individual in a health benefit plan~~

1 ~~directly shall comply with all open enrollment and special enrollment periods~~  
2 applicable to the Vermont Health Benefit Exchange.

3 (A) An individual who enrolled in a plan through the Vermont Health  
4 Benefit Exchange during an open enrollment or special enrollment period and  
5 who is not receiving a premium tax credit or cost-sharing subsidy may elect to  
6 have the health insurer assume plan administration responsibilities, including  
7 billing. If an individual elects to have the health insurer assume plan  
8 administration responsibilities, the individual shall retain the same plan and  
9 product for the remainder of the plan year and the health insurer shall provide  
10 credit for all accumulated cost-sharing amounts paid by the individual during  
11 the plan year prior to the election.

12 (B) The Department of Vermont Health Access shall cooperate with  
13 the health insurer assuming plan administration responsibilities pursuant to this  
14 subdivision (b)(4) to ensure that the individual does not experience any  
15 coverage gaps during or as a result of the transition.

16 Sec. 2. 33 V.S.A. § 1811 is amended to read:

17 § 1811. HEALTH BENEFIT PLANS FOR INDIVIDUALS AND SMALL  
18 EMPLOYERS

19 (a) As used in this section:

20 (1) "Health benefit plan" means a health insurance policy, a nonprofit  
21 hospital or medical service corporation service contract, or a health

1 ~~maintenance organization health benefit plan offered through certified by the~~  
2 Vermont Health Benefit Exchange and issued to an individual or to an  
3 employee of a small employer. The term does not include coverage only for  
4 accident or disability income insurance, liability insurance, coverage issued as  
5 a supplement to liability insurance, workers' compensation or similar  
6 insurance, automobile medical payment insurance, credit-only insurance,  
7 coverage for on-site medical clinics, or other similar insurance coverage in  
8 which benefits for health services are secondary or incidental to other  
9 insurance benefits as provided under the Affordable Care Act. The term also  
10 does not include stand-alone dental or vision benefits; long-term care  
11 insurance; specific disease or other limited benefit coverage, Medicare  
12 supplemental health benefits, Medicare Advantage plans, and other similar  
13 benefits excluded under the Affordable Care Act.

14 \* \* \*

15 (b)(1) To the extent permitted by the U.S. Department of Health and  
16 Human Services, an individual may purchase a health benefit plan through the  
17 Exchange website, through navigators, by telephone, or directly from a  
18 registered carrier under contract with the Vermont Health Benefit Exchange, if  
19 the carrier elects to make direct enrollment available. A registered carrier  
20 enrolling individuals in health benefit plans directly shall comply with all open

~~enrollment and special enrollment periods applicable to the Vermont Health~~

Benefit Exchange.

(A) An individual who enrolled in a plan through the Vermont Health Benefit Exchange during an open enrollment or special enrollment period and who is not receiving a premium tax credit or cost-sharing subsidy may elect to have the registered carrier assume plan administration responsibilities, including billing. If an individual elects to have the health insurer assume plan administration responsibilities, the individual shall retain the same plan and product for the remainder of the plan year and the registered carrier shall provide credit for all accumulated cost-sharing amounts paid by the individual during the plan year prior to the election.

(B) The Department of Vermont Health Access shall cooperate with the registered carrier assuming plan administration responsibilities pursuant to this subdivision (b)(1) to ensure that the individual does not experience any coverage gaps during or as a result of the transition.

\* \* \*

(d) A Subject to applicable open enrollment and special enrollment period rules, a registered carrier shall guarantee acceptance of all individuals, small employers, and employees of small employers, and each dependent of such individuals and employees, for any health benefit plan offered by the carrier.

\* \* \*

1 ~~(i) A registered carrier shall guarantee the rates on a health benefit plan for~~  
2 a minimum of ~~12 months~~ one calendar year.

3 \* \* \*

4 Sec. 3. EFFECTIVE DATE

5 ~~This act shall take effect on July 1, 2016.~~

*Sec. 1. 33 V.S.A. § 1802 is amended to read:*

*§ 1802. DEFINITIONS*

*As used in this subchapter:*

\* \* \*

*(5) "Qualified employer":*

*(A) means an entity which employed an average of not more than 50 employees on working days during the preceding calendar year and which:*

*(i) has its principal place of business in this State and elects to provide coverage for its eligible employees through the Vermont Health Benefit Exchange, regardless of where an employee resides; or*

*(ii) elects to provide coverage through the Vermont Health Benefit Exchange for all of its eligible employees who are principally employed in this State;*

*(B) on and after January 1, 2016, shall include an entity which:*

*(i) employed an average of not more than 100 employees on working days during the preceding calendar year; and*

*(ii) meets the requirements of subdivisions (A)(i) and (A)(ii) of this subdivision (5);*

*(C) ~~on and after January 1, 2018, shall include all employers meeting the requirements of subdivisions (A)(i) and (ii) of this subdivision (5), regardless of size. [Repealed.]~~*

\* \* \*

*Sec. 2. 33 V.S.A. § 1804 is amended to read:*

*§ 1804. QUALIFIED EMPLOYERS*

\* \* \*

*(b)(1) ~~From~~ On and after January 1, 2016 until January 1, 2017, a qualified employer shall be an entity which employed an average of not more than 100 employees on working days during the preceding calendar year and the term “qualified employer” includes self-employed persons to the extent permitted under the Affordable Care Act. The number of employees shall be calculated using the method set forth in 26 U.S.C. § 4980H(c)(2).*

*(2) An employer with 100 or fewer employees that offers a qualified health benefit plan to its employees through the Vermont Health Benefit Exchange may continue to participate in the Exchange even if the employer’s size grows beyond 100 employees as long as the employer continuously makes qualified health benefit plans in the Vermont Health Benefit Exchange available to its employees.*

*(c) ~~On and after January 1, 2018, a qualified employer shall be an employer of any size which elects to make all of its full-time employees eligible for one or more qualified health plans offered in the Vermont Health Benefit Exchange, and the term “qualified employer” includes self-employed persons. A full-time employee shall be an employee who works more than 30 hours per week. [Repealed.]~~*